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July 31, 2019

Via ECF and FedEx

The Honorable Gabriel W. Gorenstein
United States Magistrate Judge
Southern District of New York
500 Pearl Street
New York, New York 10007

Re: *Science Applications International Corporation v. The Hellenic Republic*,
Civil Action No. 18-mc-327

Dear Judge Gorenstein:

Pursuant to the Court’s instructions issued during the July 15, 2019 conference, I write on behalf of Respondent the Hellenic Republic to provide a further update on the status of the Hellenic Republic arranging payment to Petitioner Leidos, Inc.

On July 24, 2019, the Hellenic Republic reported to the Court that the Ministry of Citizen Protection (the “Ministry”) asked Leidos to, in connection with payment, acknowledge in writing that the Hellenic Republic’s payment of the arbitral award will constitute payment in full. Leidos, in its July 24 letter to the Court, mischaracterized that ministerial requirement of Greek law as a “unilateral release.” In any event, when the parties met in person in Greece on July 19, 2019, the Ministry understood that Leidos’s Greek counsel would thereafter propose language to include in the written acknowledgement that would reserve Leidos’s rights regarding any disagreements concerning the precise amount to be paid, to the extent there are any such disagreements. As far as we are aware, Leidos has not yet provided its proposed reservation language. In the meantime, the Ministry’s General Directorate of Finance and Executive Planning continues to assess the parties’ respective interest calculations, as well as the question of whether any portion of the award is subject to tax. The Ministry has designated Mr. Evangelos Karelis of that directorate as the official who will provide updates to the Court as they become available.

In connection with the Hellenic Republic’s transition to a new government, the Ministry has reassigned Mr. Dimitrakopoulos, and Mr. Iliopoulos has assumed his duties. The Legal Council of State, which oversees this case and whose responsible officials have not changed, has reached out to Mr. Iliopoulos and emphasized the time pressure of this matter.

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Also, on July 22, 2019, the Hellenic Republic voluntarily withdrew its appeal of the Order that the District Court issued on April 24, 2019 pursuant to 28 U.S.C. §1610(c). The Hellenic Republic's voluntarily dismissal of its appeal further demonstrates its good faith intent to pay the judgment without further litigation.

In its July 24, 2019 letter to the Court, Leidos attempted to manufacture an inconsistency in the Hellenic Republic's positions by attaching a letter from the Hellenic Republic's counsel in the United Kingdom that referenced payment of certain litigation costs. Leidos presented that letter out of context. The Hellenic Republic sent that letter in response to a letter from Leidos's U.K. counsel dated July 19, 2019 in which Leidos threatened to seek costs from the Hellenic Republic. A copy of Leidos's July 19, 2019 letter is attached as Exhibit A. Leidos sent another letter to the Hellenic Republic on July 24, 2019. A copy is attached as Exhibit B. The Hellenic Republic responded to that letter on July 26, 2019. A copy is attached as Exhibit C. In the U.K., the shifting of litigation costs is governed by a different legal framework than in the United States. The parties' back-and-forth over who pays what costs in the U.K. is not relevant to the proceedings here. That the Hellenic Republic is protecting its interests in the U.K. proceedings is not in any way inconsistent with the representations it has made to this Court about paying the award.

Respectfully yours,

/s/ Andrew Z. Schwartz

Andrew Z. Schwartz

cc: All Counsel of Record (via ECF)